have made. However, Sir, I will try to get this information as early as possible.

MR. CHAIRMAN: Next Question No. 82.

Newsprint from bagasse pulp

*82. SHRI B. SATYANARAYAN REDDY: Will the Minister of INDUSTRY be pleased to state:

(a) whether a technical breakthrough has been achieved in the manufacture of newsprint from bagasse pulp;

(b) if so, whether there is a proposal to set up plants for the manufacture of newsprint from bagasse pulp; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM): (a) Yes, Sir. The Tamil Nadu Newsprint and Papers Ltd. has achieved a technical break-through by producing newsprint using 85 per cent bagasse pulp and 15 per cent locally made hardwood pulp.

(b) and (c) The State Industrial and Investment Corporation of Maharashtra has been granted a Letter of Intent on 21st July, 1983, for setting up a new undertaking in District Parbhani in the State of Maharashtra for the manufacture of 50,000 tonnes per annum each of newsprint and writing and printing paper based on bagasse as the main raw material. The National Newsprint and Paper Mills, a Central Government Company, is preparing a detailed project report for setting up a bagasse-based newsprint plant in district Nainital in the State of Uttar Pradesh.

SHRI B. SATYANARAYAN REDDY: Mr. Chairman. Sir. the House knows that there is acute scarcity of newsprint in the country. We are importing newsprint worth crores of rupees. So there is a need to encourage the indigenous production of newsprint on a large scale in our country. Therefore, may I know from the Minister that apart from these two places which he has mentioned in his reply, whether the Government is taking any steps to locate newsprint industries in places like Andhra Pradesh, Tamil Nadu and other States where the raw material is available in plenty to reduce our dependency on imports?

SHRI M. ARUNACHALAM: Sir, as far as the Government is concerned, we are ready to support any newsprint project based on bagasse. Sir, we have already issued Letter of Intent to 14 companies. We have issued industrial licence to two companies.

MR. CHAIRMAN: Second supplementary.

SHRI B. SATYANARAYAN REDDY: The Minister has said just now that his Department has issued Letter of Intent to 14 companies. Therefore, I would like to know what are the names of these companies and where these companies are located? Whether it covers the State of Andhra Pradesh, Tamil Nadu and other States where the raw material is available? I would also like to know, whether the Government is prepared to give necessary incentives to this industry so that it can progress.

SHRI M. ARUNACHALAM: Sir, as far as the State of Andhra Pradesh is concerned, we have issued Letter of Intent to four companies. They are: (1) Shri Cleetus Vincent, M/s. Oceanic Products Exporting Company Sakthikulangara, Teh. and District Saikakulam, A.P.; (2) M/s. Deccan Cements, Teh. Machilipatnam, Dist. Krishna, Andhra Pradesh. Then Shri B. Hanumantha Rao, The Pragati Newsprint Ltd. has been issued in Vijayawada, District Krishna. A.P. Then Shri Sarvarayalu, S.B.P.V.V.

and Associates at Masulipatnam, District Krishna, A.P.

SHRI B. SATYANARAYAN REDDY: Sir, my question has not been answered.

SHRI M. ARUNACHALAM: Sir, we have taken it up with all the State Governments which are producing newsprint.

MR. CHAIRMAN: No, no. Whether you are going to give any further incentive for production of newsprint from bagasse?

SHRI M. ARUNACHALAM: Sir, that is what I am telling. We are discussing it with the State Governments to give all incentives.

SHRIMATI KANAK MUKHERJEE: Sir, may I know from the Minister as to what is the exact newsprint policy of the Government to improve the indigenous industry of newsprint; is the Government going to set up any newsprint industry in the Eastern Region of the country? Secondly, how is it that although the imported newsprint is cheaper and superior in quality than the home made one? Third is: is the Government considering any proposal to allow the import of newsprint by any private sector apart from STC? My last question Sir is the Government going to arrange the supply of newsprint at fair price from the open shops for the small and medium newspapers and magazines?

SHRI M. ARUNACHALAM: As far as the Eastern Sector is concerned, we have already established three units, two in Assam and one in Nagaland for manufacture of paper. Coming to the import, if you see in 1981, the import was 3,18023 lakh tonnes. Now it has come down to 2,40,324 lakh tonnes.

SHRI VISHWA BANDHU GUPTA: Mr. Chairman, Sir, I would like to ask the hon'ble Minister whether an assessment has been made by the Government as to the total possibility of making newsprint from bagasse and whether this newsprint so manufactured could convert the country from an importing country to an exporting country and whether the prices that have been estimated of the production are going to be lower than what we are producing by other methods or they are going to be the same and whether the grammage of the newsprint made from bagasse would be suitable and the same i.e. whether it is 52 grammes or 48 grammes for the newsprint to the manufacturers?

SHRI M. ARUNACHALAM: Sir, as far as the quality of the paper manufactured from bagasse is concerned, it is as comparable as any imported newsprint. (*Interruption*).

MR. CHAIRMAN: No, no. It does not matter what grammage is. The answer of the Minister is: it is as good as any imported newsprint. Now, go on Mr. Minister. You have not answered the other part of the question. That is: is it comparable, the cost of the Indian product will be comparable to the imported cost; whether you can produce it at such a price as to export it instead of importing the newsprint? So, these are the questions.

SHRI M. ARUNACHALAM: Sir as far the price of the bagasse made newsprint is concerned, we have not calculated it. We are waiting for the reply of the Tamil Nadu Newsprint (*Interruption*).

MR. CHAIRMAN: No, no. when he does not know the cost, how can he say anything about it whether we can import newsprint or export newsprint.

SHRI M. KADHARSHA: Sir, according to the Indian and Eastern Newspaper Society the cost of indigenous newspaper is the highest in the whole world and we are happy that the Tamil Nadu Newsprint has made some breakthrough

in making newsprint with cheap raw-material like bagasse. Sir, on the one side, the price of the Indian newsprint is far higher and on the other, the quality is very low. If you take newsprint made from the Hindustan Paper Mill or the Government owned Nepa News Mill, it no more remains a newspaper, it becomes news powder and if you go on reading the newspaper, your vision will also be affected. So what steps does the Government propose to take to ensure the quality of the newsprint produced by the Government-owned newsprint mills?

WELCOME TO EUROPEAN PARLIAMENTARY DELEGATION

MR. CHAIRMAN: Before the Minister answers, I have to make an announcement.

We have with us this morning, seated in the Special Box, members of the European Parliamentary Delegation which is currently on a visit to our country under the distinguished leadership of Hon'ble Mr. Paul Verges, Chairman of the Delegation for Relations with the Countries of South Asia of the European Parliament.

On behalf of the Members of the House and on my own behalf, I take pleasure in extending a very warm welcome to the leader and other members of the delegation and wish our distinguished guests a very pleasant and enjoyable stay in our country. I trust that when they leave this country, they would have seen enough of our country and our people and will carry very happy and pleasant memories of their visit. Through them I wish to convey to the members of the European Parliament our greetings and good wishes and wish them success in their endeavours.

Yes, Mr. Minister.

ORAL ANSWERS TO QUESTIONS— contd.

SHRI M. ARUNACHALAM: Sir, imported newsprint is cheaper compared to the indigenous newsprint mainly because of the higher capital investment per tonne of installed capacity and higher input cost per tonne of newsprint in India the scale of operations and the difference in raw materials mix. Continuous efforts are being made to improve the capacity utilisation of the exising units in the country and to reduce the cost of production by ensuring timely and adequate supply of major inputs, better inventory management and other measures. As far as quality is concerned, the Tamil Nadu Newsprint and papers Limited is producing newsprint of very good quality which is comparable to the newsprint that is imported.

SHRIMATI BIJOYA CHAKRAVARTY: Mr. Chairman, Sir, there is already a serious crisis so far as supply of newsprint is concerned. So I want to know whether there is any plan with the Government to produce newprint from the different paper mills of Assam.

SHRI M. ARUNACHALAM: We have not yet decided on that.

MR. CHAIRMAN. You have not got any plan or programme?

SHRI M. ARUNACHALAM: We have only paper mills there.

MR. CHAIRMAN: Not newsprint?

SHRI M. ARUNACHALAM: No.

SHRI GURUDAS DAS GUPTA: She asked whether there is any proposal.

SHRI M. ARUNACHALAM: As it is, there is no proposal.

SHRI GURUDAS DAS GUPTA: It seems the Minister is unmindful thinking of resignations, expulsions and suspensions.

MR. CHAIRMAN: It does not apply to you. Why are you bothered?

SHRI DEBA PRASAD RAY: His party is always worried about the Congress party.

SHRI VITHALRAO MADHAVRAO JADHAV: Sir, the hon. Minister has said in his statement that the Government has issued one letter of intent to Maharashtra. I would like to know whether it is a fact that the Maharashtra Government has submitted four paper projects based on sugarcane bagasse...

MR. CHAIRMAN: Will you please hear me? This has been answered by the Minister. He said that four such applications have come. You don't hear and you put the same question.

SHRI VITHALRAO MADHAVRAO JADHAV: I am going to ask further.

MR. CHAIRMAN: All right.

SHRI VITHALRAO MADHAVRAO JADHAV: When will these be cleared by the Centre and when will they start? That is my question. I have heard his answer.

SHRI M. ARUNACHALAM: As far as Maharashtra is concerned, the State Industrial Development Corporation has applied for a newsprint paper mill based on bagasse. The progress is on and we are awaiting further progress.

SHRI VITHALRAO MADHAVRAO JADHAV: He has said about one project only. There are four bagasse based projects.

MR. CHAIRMAN: You must hear the question and the answer—both of you. His answer is that bagasse based newprint project is only one. Your question is not only on bagasse based newsprint projects but on everything.

SHRI VITHALRAO MADHAVRAO JADHAV: Sir, we have four projects based on bagasse. I can even mention the names of the projects.

MR. CHAIRMAN: The Minister's answer is that there is one application for a bagasse based project. If you think that the answer is not correct, then there are other ways in which you can bring it to our notice. You cannot say, "I know more than the Minister". Mr. Vikal.

श्री रामचन्द्र विकल : श्रीमन्, मेरा, प्रश्न माननीय मंत्री जी ने जो जवाब दिया है उसी से संबंधित है। उन्होंने अपने जवाब में कहा है कि खोई से कागज बनाने के लिए राज्य सरकारों को लिखा हुआ है। मैं यह जानना चाहता हूं कि किन-किन राज्य सरकारों को आपने लिखा है और कब लिखा है ? मैं यह भी जानना चाहता हूं कि किन-किन राज्य सरकारों से अब तक क्या रिपोर्ट आई है ?

SHRI M. ARUNACHALAM: We have asked the State Governments where they are manufacturing news print, to assist newsprint factories. But we have not written to any State Government.

Plans for improving performance of public sector undertakings

*83. PROF. C. LAKSHMANNA: Will the Minister of INDUSTRY be pleased to state:

(a) whether any long-term and short-term plans have been prepared by Government for improving the performance of the public sector